

(b) if so, what are the specific proposals; and

(c) whether certain changes and modifications in the Election System, especially selection of candidates by political parties, are also under its consideration?

**THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI ARUN JAITLEY):** (a) and (b) some suggestions for change in the system of elections to the House of the People and the Legislative Assemblies of the States have been received. The First-Past-The-Post system has been criticized on the ground that candidate elected in a multi-cornered contest is generally the one who does not secure majority of votes polled. Various expert bodies like the committee on Electoral Reforms (Dinesh Goswami Committee), the Law Commission of India (170th Report on Reform of Electoral Laws), etc. have made recommendations in this regard. The issue is also being studied by the National Commission to Review the Working of the Constitution. There is no consensus among the political parties on changing the First-Past-The-Post system. Hence no steps can be taken in the near future for changing the system.

(c) The Government has no intention of interfering with the process of selection of candidates by the political parties, which is their internal matter.

#### **National Policy on Shipping and Shipbuilding**

**\*534. SHRI R. S. GAVAI:** Will the Minister of SHIPPING be pleased to state:

(a) whether Government propose to formulate a National Policy on Shipping and Shipbuilding;

(b) if not, the reasons therefor;

(c) whether Government have conducted a study of problems being faced by the shipping industry;

(d) if so, the details thereof; and

(e) the steps proposed to correct it?

**THE MINISTER OF SHIPPING (SHRI ARUN JAITLEY):** (a) and (b) The Government had constituted a National Shipping Policy

Committee in 1997. The Committee made 31 recommendations in all which were examined by an Empowered Committee, constituted by the Ministry. The Empowered Committee recommended acceptance of 26 recommendations and of these, action for implementation of 18 recommendations have already been taken. The remaining recommendations mainly pertain to fiscal and financial incentives to shipping industry and presently the following proposals are being pured in consultation with Ministry of Finance.

- (i) Tax relief to Indian seafarers.
- (ii) Infrastructure status to Coastal Shipping.

Introduction of Tonnage Tax in lieu of Corporate Tax. There is no proposal to formulate a National Policy on Shipbuilding. However, an Apex Committee on Shipbuilding constituted by the Government has submitted its report. The recommendations made by the Committee have been examined and appropriate action initiated.

(c) No, Sir.

(d) and (e) Do not arise.

#### **Illegal Training of Fake Drugs**

\*535. SHRI K. M. SAIFULLAH:

DR. Y. LAKSHMI PRASAD:

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

(a) whether it is a fact that large quantities of fake inhalers, vapour and other bogus drugs and pharmaceuticals find their way to market by way of illegal trading;

(b) whether they are likely to cause health hazards; and

(c) the action taken to effectively deal with the growing menace of fake drugs in the country?

THE MINISTER OF STATE IN THE MINISTRY OF HEALTH AND FAMILY WELFARE (SHRI A. RAJA): (a) to (c) No specific complaints regarding fake inhalers, vaporous and other allied drug formulations which are traded in the market have been reported. Most of these products are being manufactured as Ayurvedic drugs and which do not required a sale license. There are